



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

April 22, 2010

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To: Supervisor Gloria Molina, Chair  
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From: William T Fujioka  
Chief Executive Officer

## REVISION TO THE PROPOSED MEMORANDUM OF UNDERSTANDING FOR THE LOS ANGELES NETWORK FOR ENHANCED SERVICES (LANES) COLLABORATIVE (ITEM NO. 25, AGENDA OF APRIL 27, 2010)

Item Number 25 on your Board's April 27, 2010 Agenda is the discussion and consideration of the recommendations in the April 9, 2010 memorandum and report from this Office regarding the Los Angeles Network for Enhanced Services (LANES). The recommendations include seeking delegated authority to, among other things, sign the Memorandum of Understanding (MOU) formalizing the County's participation in the LANES Collaborative. The LANES Collaborative is the proposed public-private partnership which would formalize the working relationship among the parties signing the MOU and would serve as the governance structure to manage and operate LANES.

In discussions following the release of the April 9, 2010 memo, this Office determined that it was important to clarify that the MOU is not intended to affect the ownership rights to data or any other intellectual property of parties signing the MOU. Therefore, we have revised the MOU, as attached, to reflect that clarifying language.

If you have questions or need additional information, please contact me or your staff may contact Sheila Shima, Deputy Chief Executive Officer, at (213) 974-1160.

WTF:SAS  
bjs

### Attachment

c: Executive Office, Board of Supervisors  
County Counsel  
Chief Information Office  
Department of Health Services  
Department of Mental Health  
Department of Public Health

042210\_HMHS\_LANES Agenda of 042710

*"To Enrich Lives Through Effective And Caring Service"*

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**MEMORANDUM OF UNDERSTANDING  
ESTABLISHING**

**THE LOS ANGELES NETWORK FOR ENHANCED SERVICES ("LANES")**

This Memorandum of Understanding is executed in the State of California by and among its signatory organizations for the express purpose of establishing a formal working relationship among the parties and a collaborative governance structure for the formation, operation, and management of the Los Angeles Network for Enhanced Services ("LANES").

**WHEREAS**, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the California Confidentiality of Medical Information Act ("CMIA") permit health care providers to share pertinent medical information/Protected Health Information ("PHI") for treatment purposes, including to coordinate care; and

**WHEREAS**, on February 17, 2009, President Obama signed the Health Information Technology for Economic and Clinical Health Act ("HITECH"), as part of the American Recovery and Reinvestment Act, in order to promote health information technology; and

**WHEREAS**, the HITECH Act provides incentives for the use of health information technology, including state grants to promote health information technology; and

**WHEREAS**, the HITECH Act strengthens and improves federal privacy and security protections for PHI; and

**WHEREAS**, the State of California Department of Health and Human Services Agency ("CHHS") will determine the State's Health Information Exchange ("HIE") Governance Entity; and

**WHEREAS**, in recognition that a robust and coordinated health information management system has the potential to improve healthcare delivery and ensure that care is coordinated, appropriate and preventive, the County of Los Angeles and a number of concerned organizations are collaborating to create the Los Angeles Network for Enhanced Services (LANES); and

**WHEREAS**, LANES seeks to improve the healthcare delivery in Los Angeles County and surrounding areas by ensuring that health information pertinent to healthcare delivery is available when and where it is needed in a safe and secure manner; and

**WHEREAS**, the purpose of this Memorandum of Understanding (MOU) is to establish a formal working relationship and collaborative governance structure for the formation of the Los Angeles Network for Enhanced Services (LANES) to work with both the State and federal governments and other interested entities to advance health information technology and exchange in Los Angeles County and surrounding areas; and

**WHEREAS**, by entering into the LANES MOU, there is no express or implied expectation or representation that any LANES member is relinquishing any ownership rights to its data or any other intellectual property.

NOW, THEREFORE, in accordance with that which is stated herein, each of the parties mutually agree to the following:

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**TERMS AND CONDITIONS****I. PURPOSE**

The purpose of this multi-party Memorandum of Understanding (MOU) is to establish a formal working relationship and collaborative governance structure for the formation of the Los Angeles Network for Enhanced Services (LANES).

LANES will work with the State and federal governments, interested stakeholders, and other key constituents to advance health information technology and exchange in Los Angeles County and surrounding areas.

**II. TERM**

This MOU shall be effective upon the last date it is signed by a minimum of five Participating Agencies and shall continue for the operation and management of LANES unless terminated as set forth below.

**III. PARTICIPATING AGENCIES**

A. A Participating Agency shall be any organization which, by signing this MOU, agrees to enter into a formal working relationship and collaborative governance structure for the formation of LANES. The Participating Agencies will represent various stakeholder groups and shall comprise the governing body of LANES. Additional Participating Agencies may be added to the governing body by a concurrence of a majority of the Participating Agencies. Governing Body:

1. A hospital group;
2. A physician group;
3. A community clinic group;
4. A local government entity;
5. A public health plan;
6. A commercial health plan;
7. A Health Information Exchange organization;
8. A health advocacy group;
9. An independent organization.

**B. Responsibilities**

1. Appoint an Organizational Representative(s) to serve as the Participating Agency's representative who shall:
  - (a) Provide input on behalf of the Participating Agency;
  - (b) Communicate on behalf of LANES with the Participating Agency;
  - (c) Personally attend weekly meetings, unless excused or otherwise modified by the Bylaws.
2. Support Health Information Technology ("HIT") goals, including:
  - (a) To advance patients' safe and secure access to their personal health information and their ability to share that information with those involved in their care;
  - (b) To engage in an open, inclusive, collaborative process that supports widespread Electronic Health Record ("EHR") adoption and a robust, sustainable countywide/regional health information exchange;
  - (c) To improve health care outcomes and reduce the rate of increase in costs or reduce costs;
  - (d) To maximize access to critical American Recovery and Reinvestment Act stimulus funds;
  - (e) To integrate and synchronize the planning and implementation of Health Information Exchange (HIE), HIT, telehealth and provider incentive components of the American Recovery and Reinvestment Act.
3. Support the coordination of HIE grant and other activities including programmatic, budget, evaluation, and reporting requirements of LANES and/or the Participating Agencies.

**IV. BYLAWS**

LANES shall establish Bylaws for its internal governance within 60 days of its formation. Said Bylaws shall be and are incorporated herein by reference. The Bylaws shall clearly address the following areas:

**A. Mission statement;**

- B. Governing body, including clearly describing who the Participating Agencies are, how the Participating Agencies are selected, and the responsibilities that Participating Agencies will have;
- C. Committees and committee duties;
- D. Affiliates and organizations;
- E. Stakeholders, including a process for ensuring representation from all interested and pertinent institutions and individuals;
- F. Meeting protocols, including a process for open, public, and transparent forums that allow input from all perspectives;
- G. Outreach;
- H. Code of conduct;
- I. Dispute resolution, including establishing procedures that encourage resolution of disputes through informal means;
- J. Data security, patient health information privacy and compliance.

## **V. LEAD AGENCY**

LANES is a collaborative of participating health care and other organizations, from both the public and private sector, representing a variety of interests and constituencies, and having varied experience. Accordingly, LANES and its Participating Agencies, recognize that it will be necessary to designate a Participating Agency or other entity to serve as the Lead Agency for a specified time period, a particular purpose, a designated project, or other specified reason. The parties agree that LANES will , as necessary or appropriate, designate a Participating Agency or other agency to serve as Lead Agency. Notwithstanding the foregoing, nothing shall be construed as obligating the parties to maintain a designated Participating Agency or other agency to serve as a Lead Agency for all purposes. The parties agree that LANES may also designate alternative or additional Lead Agencies for a particular purpose, a designated project, or other specified reason. Designation of a Lead Agency shall be in writing and shall require the concurrence of a majority of the Participating Agencies.

## **VI. FISCAL INTERMEDIARY**

LANES is a collaborative of participating health care and other organizations. Accordingly, LANES and the parties recognize that it will be necessary to establish a formal relationship with an entity that can provide LANES with management and/or operational and/or administrative support, including receipt of and/or administration of grant funds.

**VII. FISCAL PROVISIONS**

- A. Parties shall not receive compensation for entering into this MOU or for performing responsibilities under this MOU. Unless otherwise agreed to by each of the parties, a Participating Agency shall not be reimbursed for any costs incurred as a consequence of entering into this MOU or for performing responsibilities under this MOU.
- B. Unless otherwise agreed to by the parties, a Participating Agency shall not receive compensation or be reimbursed for any costs for serving as a Lead Agency.

**VIII. PRIVACY**

- A. LANES and the Participating Agencies understand that data/information be transferred via an HIE is highly sensitive and is protected from improper disclosure by State and federal law. Accordingly, LANES and the Participating Agencies agree to protect the confidential nature of any data to be maintained or transferred and to ensure that there is no unauthorized access, use or disclosure of such data, except in compliance with all State and federal laws.
- B. LANES and the Participating Agencies shall endeavor to coordinate with the California Privacy and Security Advisory Board ("CalPSAB") regarding privacy and security.
- C. LANES and the Participating Agencies shall monitor implementation of California's privacy and security policy and guidance and work with State agencies, as appropriate, to ensure such privacy and security protections.

**IX. TERMINATION**

This MOU may be terminated upon the mutual agreement of all parties. A party may terminate its individual participation in this MOU by providing LANES with 30 days advanced written notice. Termination by one party shall not terminate this MOU.

**X. DISPUTE RESOLUTION**

LANES and its Participating Agencies are committed to mutually satisfactory methods for problem resolution. The parties agree that when any dispute arises between LANES and a Participating Agency or among the Participating Agencies, it should be resolved amicably, through informal means, through the Participating Agencies' chain of command, as deemed necessary. Accordingly, LANES shall establish a process and procedure for mutually satisfactory methods of problem resolution. Notwithstanding the foregoing, LANES and its Participating Agencies do not intend for the terms and conditions of this MOU to be enforceable by any court, governmental or administrative agency or any other



dispute resolution process. This MOU is not intended to be a legally binding document, but rather an expression of the collaborative intent of all Participating Agencies.

**XI. WAIVER**

No waiver of any of the provisions of this MOU shall be effective unless made in writing and agreed to by a concurrence of a majority of the Participating Agencies.

**XII. NOTICE**

Notices required or provided for by this MOU shall be sent to the Lead Agency for LANES.

**XIII. LIABILITY**

- A. All Participating Agencies' Organizational Representatives are to be covered by their respective Participating Agency's insurance policies in accordance with the laws of the State of California and all Participating Agencies, here agree to maintain such insurance.
- B. No Participating Agency nor its Organizational Representative shall be responsible for any action taken or omitted by another Participating Agency or by another Participating Agency's Organizational Representative.

**XIV. AMENDMENTS**

- A. The Participating Agencies agree to take such action, as necessary, to amend this MOU from time to time to comply with the requirements of HIPAA, CMIA, HITECH, and/or any other provision of law or regulation.
- B. Unless specifically provided for in this MOU, no provision of this MOU shall be altered, varied, modified, revised, or waived, except upon written amendment signed by a majority of the Participating Agencies.

**XV. DEFINITIONS**

Appendix A – Definitions is incorporated herein by reference.

**XVI. COMPLETE AGREEMENT**

This MOU, consisting of ten (10) pages, constitutes the full and complete understanding and agreement of the parties.

**XVII. NO DISQUALIFICATION**

Participating Agencies agree that any procurement by LANES of products and/or services, or receipt of any award pursuant to any such procurement, shall be in compliance with all applicable laws, rules, and regulations and funding requirements. Notwithstanding the foregoing, the parties do not intend that any Participating Agency be disqualified from participating in any such procurement by LANES solely because such agency entered into this MOU or participated in the activities described herein; provided, however, that nothing in this MOU shall be construed as assuring any such agency that it will receive any such award or as contravening any laws pertaining to such an award.

The Participating Agencies further agree that should they have an interest in competing for the delivery of any products and/or services being procured by LANES through an open competitive bid process, they will not participate in any way in the creation or development of the solicitation documents that LANES uses to conduct that competitive procurement process, including but not limited to Requests for Proposals, Statements of Work, Evaluation Instruments, Pricing Schedules, etc., and shall recuse themselves from any scoring or other evaluation of the responses submitted to that solicitation and from the ultimate selection of the vendor who is chosen to provide the needed products and/or services in question.

The Participating Agencies also further agree that, should the County of Los Angeles serve as the Lead Agency for any procurement or solicitation process, all federal, State and local rules, regulations, ordinances, directives, policies and procedures applicable to such a procurement or solicitation will apply, including those rules, regulations, ordinances, directives, policies and procedures concerning conflict of interest and self-dealing.

**XVII. CONCLUSION**

The signatures of the below parties affixed to this MOU affirm that they are duly authorized to commit and bind their respective organizations to the terms and conditions set forth in this MOU.

[This MOU may be signed in counterparts.]

**LIST OF SIGNATORIES**

## APPENDIX A

### DEFINITIONS

**Health Insurance Portability and Accountability Act ("HIPAA"):** A federal law enacted in 1996 to protect health insurance coverage for individuals who leave or change employers, and to establish national standards for electronic health care transactions and national identifiers for providers, health plans, and employers.

**Protected Health Information ("PHI"):** Any individually identifiable health information that is protected under the Health Insurance Portability and Accountability Act, which includes any information related to an individual's health condition, the provision of health care, or payments for health care.

**Health Information Technology for Economic and Clinical Health Act ("HITECH"):** A federal law, enacted as part of the American Recovery and Reinvestment Act, that seeks to encourage the adoption of electronic health records and other health information technology.

**California Confidentiality of Medical Information Act ("CMIA"):** A State law that protects patient privacy by prohibiting health care providers from disclosing medical information without obtaining appropriate authorization.